

Message Text

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SUBJ: CODEL HOSMER

REF: STATE 243961

SUMMARY

CONGRESSMAN CRAIG HOSMER OF CALIFORNIA, RANKING MINORITY MEMBER OF THE JOINT COMMITTEE ON ATOMIC ENERGY, AND MRS. HOSMER, ACCOMPANIED BY JAMES B. GRAHAM, ASSISTANT STAFF DIRECTOR OF JCAE AND MRS. GRAHAM, WERE IN SYDNEY FROM 6 JANUARY 1974 TO 8 JANUARY 1974 AND FROM 10 JAN TO 14 JAN 1974. DURING THIS PERIOD CODEL WAS BRIEFED BY CONSUL GENERAL, CONSULTED WITH AUSTRALIAN ATOMIC ENERGY COMMISSION, HAD DISCUSSIONS WITH SEVERAL PRIVATE URANIUM-ORIENTED COMPANIES, ATTENDED A WORKING LUNCH HOSTED BY GENERAL ELECTRIC, WAS HOSTED BY THE AAEC AT A DINNER AND WAS HONORED AT A RECEPTION GIVEN BY THE CONSUL GENERAL. HE ALSO HAD A PRESS CONFERENCE WHICH IS REPORTED SEPTEL.

1. CODEL ARRIVED FROM NEW ZEALAND, CUTTING HIS VISIT THERE SHORT BY TWO DAYS, ON SUNDAY, 6 JAN, 1974. HE WAS MET AT AIRPORT BY CONTROL OFFICER MARSHALL AND ESCORTED TO WENTWORTH HOTEL.

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2. ON MONDAY, 7 JAN 1974, CODEL WAS BRIEFED FOR

HALF A DAY BY CONSUL GENERAL HANNAH AND MEMBERS OF SYDNEY COMMERCIAL SECTION ON ECONOMIC/COMMERCIAL/POLITICAL ASPECTS OF AUSTRALIA.

3. TUESDAY AND WEDNESDAY, 8 AND 9 JAN, 1974 WERE SPENT BY CODEL IN CANBERRA. SEE SEPTTEL.

4. ON JAN 10 CONGRESSMAN HOSMER AND MR. GRAHAM ACCOMPANIED BY COMMERCIAL OFFICER BACHMANN MET WITH R.W. BOSWELL, CHAIRMAN, AUSTRALIAN ATOMIC ENERGY COMMISSION, AND EIGHT TOP MEMBERS OF HIS STAFF AT THE AAEC HEADQUARTERS AT COOGEE. THE TWO HOUR MEETING WAS CORDIAL WITH HOSMER DOMINATING THE DISCUSSION.

CONTINUING HIS DOWNPLAYING OF URANIUM ENRICHMENT FOR AUSTRALIA, HOSMER TOLD THE GATHERING THAT HE FELT THE COMMISSION HAD A "ROMANTIC VIEW OF ENRICHMENT" WHICH IN REALITY IS A DIRTY BUSINESS WHICH "HE WOULDN'T TOUCH WITH A TEN FOOT POLE" AS THE BILLION DOLLAR INVESTMENT PROGRAM REQUIRED FOR ENRICHMENT COULD BE PUT TO BETTER USE ELSEWHERE. THE ONLY REASON THE U.S. IS INVOLVED IN THE ENRICHMENT GAME IS THAT WE HAVE TOO MUCH ALREADY ON STREAM AND "ARE STUCK WITH IT". BOSWELL, SPEAKING ON THE CURRENT AUSTRALIAN SITUATION, STATED FRANKLY THAT THE GOA HAS "PROBABLY NOT BEEN TOO SOPHISTICATED IN ANALYZING THE URANIUM PROBLEM." HE ATTRIBUTED THIS TO THREE FACTORS: (ONE) THE CHANGE OF GOVERNMENT. (TWO) THE NEWLY CREATED DEPARTMENT OF MINERALS AND ENERGY WHICH STILL LACKS PROPER MACHINERY FOR ANALYZING SITUATION AND HAS PRIORITIES OF HYDROCARBONS, COAL AND URANIUM IN THAT ORDER.(THREE) A HOSTILE SENATE.

CONNOR GOT GOOD MARKS FROM AAEC WHICH STATED, NOT SURPRISINGLY, NO REAL POLICY HAS BEEN FORMULATED YET AS GOVERNMENT HAS BEEN IN POWER ONLY THIRTEEN MONTHS. HOSMER REPLIED "THE SOONER AUSTRALIA GETS A POLICY THE BETTER."

5. ON FRIDAY, 11 JAN, CONGRESSMAN HOSMER AND LIMITED OFFICIAL USE

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MR. GRAHAM ACCOMPANIED BY CONTROL OFFICER MARSHALL, HAD FRUITFUL DISCUSSIONS WITH TOP OFFICIALS OF PANCONTINENTAL MINING LTD., GETTY OIL COMPANY, PEKO WALLSEND LTD., QUEENSLAND MINES LTD., AND BROKEN HILL PROPRIETARY LTD. IN EACH CASE HOSMER'S MESSAGE WAS (1) AN INTEREST IN DETERMINING IF AUSTRALIA HAD A URANIUM DEVELOPMENT POLICY AND WHAT IT WAS AND (WL DISCOURAGING THE CONSTRUCTION OF AN URANIUM

ENRICHMENT PLANT BY AUSTRALIA. EXCEPT FOR BROKEN HILL PROPRIETARY LTD., SEE PARA 6, ALL COMPANIES STATED THERE WAS NO AUSTRALIAN URANIUM DEVELOPMENT POLICY BECAUSE MINISTER CONNOR HAD TO DATE NOT ANNOUNCED WHAT IT WOULD BE AND AGREED WITH HOSMER THAT AUSTRALIA COULD NOT AFFORD AN URANIUM ENRICHMENT PLANT. EACH OF THE EXECUTIVES VISITED WERE HIGHLY FLATTERED BY HOSMER'S VISIT AND APPRECIATED AN OPPORTUNITY TO EXCHANGE VIEWS.

6. DENNIS H. HARRAWAY, MAINERAL SALES DEVELOPMENT MANAGER, BROKEN HILL PROPRIETARY CO. LTD., THE LARGEST PRIVATE AUSTRALIAN COMPANY, STATED THAT BHP WAS INTERESTED IN CONSTRUCTING AN URANIUM DIFFUSION ENRICHMENT PLANT, HAD LINED UP FINANCING WITH THREE OTHER AUSTRALIAN COMPANIES AMOUNTING TO 1.6 BILLION DOLLARS, HAD FOUR PROSPECTIVE SITES CHOSEN, AND HAD PLANS DRAWN BY BECHTEL CORPORATION TO BUILD THE PLANT, BUT ALL WAS BEING HELD IN ABEYANCE PENDING A POLICY STATEMENT BY MINISTER CONNOR. HARRAWAY SAID BHP WAS PLANNING TO USE US TECHNOLOGY FOR THE DIFFUSION PLANT AND THAT MOST OF IT WOULD BE US MADE.

7. ALFRED BYRNE, MANAGING DIRECTOR OF GENERAL ELECTRIC AUSTRALIA, HOSTED A WORKING LUNCH FOR HOSMER ATTENDED BY REPRESENTATIVES OF BECHTEL PACIFIC, HBP, RALPH M. PARSONS CO., ESSO AUSTRALIA, MARINE MIDLAND BANK OF NEW YORK, BURMON PTY LTD., PANCONTINENTAL MINING LTD., GETTY OIL COMPANY, NSW ELECTRICITY COMMISSION AND THE CONSULATE GENERAL. CONGRESSMAN HOSMER ANSWERED A VARIETY OF QUESTIONS RANGING FROM POLITICAL TO ECONOMIC CONDITIONS IN THE U.S. IN A FRANK AND CORDIAL MANNER, WHICH SATISFIED THE EXECUTIVES PRESENT.
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8. ON FRIDAY EVENING, 11 JAN 1974, CHAIRMAN BOSWELL OF AAEC HOSTED A SMALL DINNER FOR MEMBERS OF THE AAEC COMMISSION, THE CODEL AND CONSULATE GENERAL AND THEIR WIVES. AGAIN HOSMER WAS FRANK AND INFORMATIVE ON A WIDE VARIETY OF QUESTIONS GENERALLY CENTERED AROUND URANIUM AND ATOMIC ENERGY. HE AGAIN MADE THE POINT OF QUESTIONING THE NEED FOR AN AUSTRALIAN URANIUM ENRICHMENT PLANT.

9. ON SATURDAY EVENING, 12 JAN 1974 CONSUL GENERAL AND MRS. HANNAH HOSTED A RECEPTION FOR CONGRESSMAN AND MRS. HOSMER. ATTENDEES INCLUDED NSW MINISTER FOR LABOR AND INDUSTRY AND CONSUMER AFFAIRS, SEVERAL LEADERS OF BOTH THE LABOR AND LIBERAL PARTIES, AND EXECUTIVES OF

SEVERAL LARGE AUSTRALIAN COMPANIES. CONGRESSMAN HOSMER COMMENTED THAT HE "GOT A REAL FEEL" FOR AUSTRALIAN POLITICS AND THE MANY PROBLEMS FACING AUSTRALIA, AS A RESULT OF THE RECEPTION.

10. THE CODEL DEPARTED SYDNEY FOR FIJI ON CANADIAN PACIFIC FLIGHT 302 (AFTER BEING CANCELLED OUT BY AMERICAN AIRLINES) AT 1030, 14 JANUARY 1974.
HANNAH

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